

Message Text

CONFIDENTIAL

PAGE 01 STATE 226056

70

ORIGIN NEA-10

INFO OCT-01 ISO-00 SCI-02 INT-05 FEA-01 CIAE-00 INR-05

NSAE-00 RSC-01 EB-04 /029 R

DRAFTED BY NEA/ARP:GQLUMSDEN:GLG

APPROVED BY NEA:SSOBER

NEA/ARP:FMDICKMAN

----- 111978

R 122324Z OCT 74

FM SECSTATE WASHDC

TO AMEMBASSY KUWAIT

C O N F I D E N T I A L STATE 226056

E.O. 11652: GDS

TAGS: ENRG, QA

SUBJECT: SHAYKH ABDUL AZIZ COMMENTS ON QATAR OIL PRODUCTION

REF: STATE 221689

KUWAIT PASS DOHA

1. RE AMBASSADOR PAGANELLI-LUMSDEN TELEPHONE CONVERSATION
OCTOBER 10: FOLLOWING TWO PARAGRAPHS CONTAIN PERTINENT
PORTIONS UNCLEARED RPT UNCLEARED MEMCON OF MR. ATHERTON'S
OCTOBER 4 LUNCHEON AT WHICH QATAR FINANCE AND OIL MINISTER,
SHAYKH ABDUL AZIZ, COMMENTED ON HIS COUNTRY'S OIL PRODUC-
TION PLANS.

2. QUOTE: MR ATHERTON SAID, GIVEN CURRENT DEBATE OVER
OIL PRICES AND PRODUCTION, HE WOULD AT OUTSET LIKE TO
STRESS THAT USG'S CONCERN HAS BEEN WITH SPEED OF PRICE
INCREASES AS MUCH AS IT HAS BEEN WITH PRICE LEVELS PER SE.
WE CERTAINLY HAVE NO ARGUMENT WITH OIL PRODUCING COUNTRIES'
DESIRE TO OBTAIN FAIR AND EQUITABLE RETURN FROM SALE OF
THEIR RESOURCES. MINISTER NOTED RELATIVE EASE WITH WHICH
COUNTRY CAPABLE OF PRODUCING 20 TO 30 MILLION BARRELS OF
OIL PER DAY COULD ABSORB LOWER PRICES. IN QATAR, HOWEVER,
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 226056

THIS WAS DIFFICULT TO DO HE SAID - PARTICULARLY NOW THAT

IT HAS BEEN DECIDED TO REDUCE COUNTRY'S CRUDE OUTPUT TO BETWEEN 250 AND 300 THOUSAND BARRELS PER DAY AND TO CONCENTRATE ON PLAN TO UTILIZE 90 PERCENT OF ALL ASSOCIATED NATURAL GAS PRODUCED. SHAYKH ABDUL AZIZ SAID HIS GOVERNMENT HAD MADE THIS DECISION WHEN IT BECAME APPARENT THAT PROFIT TO IT FROM GAS SALES WOULD EXCEED THOSE FOR OIL BY ABOUT TWO DOLLARS PER TON. IMPORTANCE GIVEN TO GAS DEVELOPMENT AND UTILIZATION, HE SAID, COULD BE SEEN IN THE RECENT AGREEMENT BETWEEN QATAR AND SHELL OIL TO FORM THE QATAR GAS COMPANY. UNQUOTE.

3. QUOTE: MR. ATHERTON ASKED SHAYKH ABDUL AZIZ WHAT QATAR'S ESTIMATED OIL INCOME WOULD BE THIS YEAR. MINISTER ANSWERED THAT QATAR'S OVERALL INCOME FROM ALL EXTRACTIVE AND INDUSTRIAL VENTURES IN COUNTRY WOULD BE ABOUT \$1.9 TO \$2.0 BILLION - THIS BASED ON OIL PRODUCTION OF 500 THOUSAND BARRELS PER DAY. UNQUOTE.

4. DEPT. WOULD APPRECIATE ANY CLARIFICATION YOU CAN OBTAIN OF CURRENT GOQ POSITION ON OIL PRODUCTION. INGERSOLL

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM PRODUCTION, PRODUCTION DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 12 OCT 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: shawdg
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE226056
Document Source: CORE
Document Unique ID: 00
Drafter: GQLUMSDEN:GLG
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740291-1020
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741049/aaaabpkz.tel
Line Count: 84
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: STATE 221689
Review Action: RELEASED, APPROVED
Review Authority: shawdg
Review Comment: n/a
Review Content Flags:
Review Date: 21 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <21 AUG 2002 by WorrelSW>; APPROVED <12 MAR 2003 by shawdg>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SHAYKH ABDUL AZIZ COMMENTS ON QATAR OIL PRODUCTION
TAGS: ENRG, QA, (AZIZ, ABDUL)
To: KUWAIT
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005